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Private Market Talks:

Navigating the Geopolitical Supercycle with Tina Fordham

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On this episode of Private Market Talks, we welcome back Tina Fordham, founder of Fordham Global Foresight. We last spoke with Tina about a year ago in Season 1 Episode 5, in which she discussed how investors are faced with a very different geopolitical landscape today than has existed over the past 30 years, and how investors have had to raise their political quotient and learn to "firewalk" geopolitical crises.

In this episode, Tina takes us on a deeper dive, into what she describes a Geopolitical Supercycle. Our conversation is wide-ranging and includes the recent developments in the war in Ukraine, Putin's ambitions, challenges presented by China and the potential impact of the US election. Tina also shares practical advice that she is giving to CEOs, boards and investors as to how to account for geopolitical risks in connection with their investment strategy. Our conversation is a fascinating exploration of the complexities of the intersection of geopolitics and investing.

Peter Antoszyk: Hello, welcome to *Private Market Talks*. I'm your host, Peter Antoszyk. For the past 50 years, investors have enjoyed a Goldilocks moment in modern human history: relative peace and high growth. Now, they face a myriad of geopolitical worries — war, or the risk of war, political uncertainties, tectonic shifts in global alliances, immigration, climate change — the list goes on. In season one, episode five, I had the pleasure of speaking with Tina Fordham about the implications of these trends for investors. Tina is a geopolitical strategist and advisor to C-Suite executives, investors and board members working at the intersection of geopolitics, business and the drivers of social change. She is the founder of Fordham Global Foresight, an independent geopolitical advisory firm based in London.

In our prior episode, Tina spoke to us about her background and how investors might elevate their "PQ, or political quotient. She described how investors can learn to, in her words, "firewalk geopolitical risks." I encourage you to give that episode another listen as we build on those topics during this conversation.

Today, Tina discusses the questions that she is currently fielding from investors. She describes what she terms the “geopolitical supercycle.” She provides practical tips for how investors can be in a better position to factor in the potential impact of these geopolitical risks into investment strategies. Finally, we finish with a rapid-fire Q&A, so we cover a lot of ground. As always, you can get a full transcript of this episode and other helpful information at privatemarkettalks.com. And now, my conversation with Tina Fordham. Tina, welcome back to *Private Market Talks*.

Tina Fordham: Great to be back talking to you again, Peter. Has it been almost a year?

Peter Antoszyk: Yes. I can’t believe it. Time goes so quickly, and I’ve really been looking forward to this conversation because the world seemed so simple in some ways. It’s only gotten more complex. You know, last time we spoke, of course, the Russian-Ukrainian War was raging; China and U.S. tensions were at an all-time low. I think that was at the time of the so-called “balloon incident,” and we just had come off the U.S. midterm elections. And so, from a geopolitical perspective today — fast forward — there seems to be increased risk and volatility. So, I’d love to hear your perspective as to what you see as the major geopolitical trends or developments that exist today.

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Tina Fordham: Well, we’re going to cover a lot of ground, and I will share with you the responses that I had from clients and followers when I asked people what their top risks were for 2024. Anyway, the trend was clear. Top risk, for 52% of my respondents, was U.S. elections, followed by the Middle East and China. I would say that reflects the kind of questions I get at every live discussion, as well as more closed-door, behind the scenes board meetings, and it was also reflected in the recent KPMG CEO survey, which said that for the first time in many years, maybe ever, geopolitical risks and political uncertainty — which I think they kind of tweaked to capture all the elections this year — was the topmost worrisome risk for CEOs. This is a change in trend because even a year ago in the same KPMG survey, geopolitical risks did not come out on top. So, I think that we can infer from that it’s that combination of the war between Russia and Ukraine, compounded by the conflict in the Middle East that has really caused business leaders and investors to say, “Okay, this isn’t just a one-off development. There is something more complicated going on here.”

Peter Antoszyk: We're in the second anniversary of the Russian-Ukraine War. The tide seems to be turning, in some ways, in favor of Russia. How are you thinking about where that might go?

Tina Fordham: Well, it's certainly not feeling like the momentum is on the side of Ukraine, but I do think we have to be careful because developments on the battlefield are slow to evolve, and this is really a ground war that has been fought by inches. In Europe, the war in Ukraine is front of mind, not least because there's great concern that Russia may move to grab territory elsewhere: Moldova, possibly the Baltics, etc. So, this issue is very live, and, of course, Ukraine's ability to continue to fight is very dependent upon the external support that it gets from others, from the European Union, and, of course, from the United States, where military aid has been caught up in wider domestic political considerations, as all Americans know, now linked with U.S. border issues, as well as Middle East aid. But it's a critical time for the war in Ukraine, and the longer things take, the more it plays to Putin's advantage.

Peter Antoszyk: How do you see that war ending?

Tina Fordham: Well, the first thing is, you don't have to be a deep student of history to know that most wars go on for many years, you know. We have a couple of exceptions with modern conflicts like the Falklands and, you know, Grenada, and things like this. But otherwise, not only do wars tend to go on for many years, but they tend to recur where they once took place. It's called conflict relapse; the Middle East is the case in point. What does the endgame look like? If it were a simple matter of land for peace, I think this war could've been over some time ago. Russia already had Crimea, and it had *de facto* control over plenty of other bits of southeastern Ukraine, — remember it held referendums there and everything else — but it chose to invade the capital, Kyiv, and go for the whole country. I don't see will on the side of Ukraine to make territorial concessions, mainly because neither Ukrainians nor Poles or others who border Russia believe that territory will be enough to end Russia's aspirations. Neither side is ready to make concessions, so the ultimate end result probably looks something like North Korea with the Demilitarized Zone, possibly. But one thing is for sure: that in the areas where the battles have been fought intensively, like what's currently going on in Advika, there's nothing left.

Peter Antoszyk: You mentioned three things that you've heard and surveys support in terms of concerns of investors and business leaders in terms of geopolitical considerations — that is, the U.S. elections, the Middle East and war in Ukraine. Are there geopolitical trends that you think are not adequately taken into account?

Tina Fordham: Well, in a way, the U.S. election sort of neatly encapsulates all of those things, right, in as much as even if we think that the U.S. is the reluctant superpower as was once said, or this is a juncture where the U.S. wants to return to the kind of isolationist posture that it does periodically. Whoever is in the White House next is going to have a huge impact on relations with China. Remember, Biden didn't overturn the Trump tariffs on China, kept them in place. Either way, they're probably staying there or getting more intense. And other policies to do with globalization and the kind of conduct of, you know, the rules of the game in the international system, as political scientists, international relations types like me think about.

I do have an eye, also, on Venezuela and Guyana. Venezuela has elections this year; Maduro's still in charge after the death of Chavez, kind of hanging on; more land grabs in the aftermath again of Russia's seizure of territory is quite possible. I'd also put on the table demographics, which is not a sexy topic, but one a lot of governments are contending with, struggling to understand why more women don't want to have babies even as they don't do things like invest in high-quality childcare or other things that make that easier, but birth rates and growth are highly interconnected. And it's not a geopolitical risk, but, when we think about the linkage between geopolitics and governance and social issues, I have a lot of conversations about what's happening with ESG and the DE&I agenda, and young people and work, and let's call them more cultural and socioeconomic issues. There is a feeling of a kind of malaise, I suppose.

Peter Antoszyk: So, when you're speaking with investors, how do you put this all into perspective? Because you've identified quite a few things to take into account.

How do you put this into some sort of context so that they can then assess it from a risk perspective?

Tina Fordham: Well, this is kind of my life's work. I was the first chief global political analyst in a major financial institution. We have worked on Wall Street for a couple of decades. I've now gotten to the point where I don't like to say the number because you get younger people looking at you with incredulity, but I've been through many cycles, many crises and everything else. And so, I think we need to do two things, you know. I'm very fond of the quote from Louis Pasteur that "fortune favors the brave and chance favors the prepared mind." If there's anything that really irritates me, it's people who say that all geopolitics is irrelevant, that it doesn't move the needle, and talk to me about *The Magnificent Seven*.

Now, that is true, U.S. equity markets in the narrowest sense are not sensitive to geopolitical risks as an asset class. But one of the things that has changed is the onset of U.S. energy and dependence, which means that the war in the Middle East, although it has escalated considerably to the Red Sea and supply chains and elsewhere, isn't going to result in a 1974 style oil price shock. So, we always need to be mindful when we think about geopolitical risks about which ones can actually translate into a transmission mechanism that brings about a shock: a growth shock or an asset price shock. So, that's our screen in the very narrowest sense. But there are other ways that all of these developments filter through that the kind of old-school bottom-line types ignore at their peril. And that has to do with sentiment, CapEx and deal making. You know that's closer to your world.

There was a heated conversation that broke out at one of the round tables that I was part of in London the other week about whether M&A activity would be delayed as a result of the U.S. elections. I said, "I expected it to be." Some said, "You can't wait." And others said, "Of course we have to wait; we have to wait for more clarity." I think that's a good example. It's just too short term to look merely at these seven U.S. tech stocks, and at the U.S. market only.

One big change compared to previous eras is, is how emotional people are. I think that's important to register.

Peter Antoszyk: So, expand on that. What do you mean?

Tina Fordham: People are sad. They have staff in the Middle East; they have relatives in Eastern Europe. Our sense of being inoculated, in a way, from global risks has a lot to do with the fact that — although there have been two wars in Iraq, war in Afghanistan, plenty of global trouble — it didn't impact the economy, it didn't impact share prices and it certainly didn't impact the lives of most people living in the rich, industrialized democracies. Very few — relative to other global conflicts — lives were lost by U.S. soldiers. Again, compared to other conflicts, there was a sense of, you know, "noise."

The war in the Middle East and the Russian-Ukraine war, neither of these are noise. First of all, they both have the potential to become systemic in that there is a channel where that risk can be transferred from regional to systemic, and we saw that last year with grain, for example. So, it's significant, but all of these kinds of "frictions," if we want to call them that, they influence migration, they influence insurers' willingness to insure. And these are the conversations that I'm part of. We could say that they don't matter until they matter, then they matter in a big way. I suppose it's like that Hemingway quote that's so famous about, "How did you become bankrupt?" You know, "Slowly, then suddenly." I think geopolitical risk can function in a similar way.

Peter Antoszyk: It's interesting to hear you talk about some of the views that you've heard about the M&A activity level. From my perspective, I think it really very much depends on the type of M&A that you're talking about. We're starting to see green shoots of M&A activity, but there's definitely elevated concern of the geopolitical risk, especially for any multinational organization because it can have direct impact on their investments, supply chain issues, DEI as you've mentioned, climate change, etc. All could have a direct impact on how they think about it. So, that's kind of consistent with what I'm hearing.

Tina Fordham: Yes, I've also cautioned that to my clients, that I don't think we're going to have a clear answer on November 6th — whether it's recounts — right? I mean, if we just have kind of garden variety close outcomes, the degree of tension and hostility, I think, will, absolutely demand more recounts, allegations of fraud and misconduct and this sort of thing. This could easily take us into the new year, I think. Even if we don't have a third-party wild card, don't expect November 6th to give you a green light or a red light. I think that timing, sequencing issue needs to factor into the calculus also.

Peter Antoszyk: And I think you're exactly correct. One of the terms that you have used, that you and I have spoken about, but I'd love to hear you expand upon, is this concept of what we're living through as a "geopolitical supercycle." Can you talk about that a little bit, and explain to our listeners what you mean by that term?

Tina Fordham: Yes. I first wrote about the geopolitical supercycle idea in June of last year. Based on my reading of the long-term data, I produced this thesis which said that first of all, we have more potential catalysts proliferating. So, there's a difference between a catalyst — and that's, you know, the assassination of Archduke Ferdinand and Sarajevo, right? That was the match that started the fire that started World War I, and the collapse of empire, you know, led by the grievances of one Gavrilo Princip in Sarajevo, but that was a catalyst. So, by the proliferation of catalysts I mean all the elections we have this year, for example, the increase in conflicts. You can look at databases that trace the increase in conflicts. Correlates of War is one; the International Crisis Group is another. So, we started to see an uptick in conflicts around 2012, after a period of relative calm going back about 30 years. Now, that 30-year period — say, between 1989, the collapse of the Berlin Wall, collapse of Lehman Brothers — was the most peaceful and prosperous period in all of human history, and it also happens to be the period that most of the people listening to this podcast, that we work with, have grown up in personally and professionally.

Peter Antoszyk: Right.

Tina Fordham: Now, that's not meant to sound alarming, but it's meant to say if you are a market participant who believes in meaner version, then we're probably going back toward a pre '89 kind of mean, which is certainly messier and with more friction and deglobalizing, right? So, geopolitical risk supercycle says, whether it's climate emergencies triggering more migration, more elections, more coups, and all of these things are on an upward trend, on almost a structural basis. We have more of those things. We have reduced presence and efficacy of the things that can help mitigate these risks, by which I mean firepower from central banks, on the one hand, which, you know, liquidity is the number one factor that buffers us in financial markets from feeling the effect of risks. International cooperation, coming together for like the G7, or the UN Security Council, which did actually use to produce agreements to kind of govern behavior and issue penalties for bad actors, that's much less effective. International institutions, central banks: they can all take a role in pushing back against bad behavior, breaking the rules of the game, etc. And in the absence of them being more powerful and being heated, we get more risks. It's as simple as that. But I think that is a useful analytical construct to think about the times that we're in.

Peter Antoszyk: What you're saying is, there's more volatility and fewer mitigants to that volatility, and so there's elevated risk.

Tina Fordham: Yes, and game theory tells us that it can also pop up in unexpected places.

Peter Antoszyk: What advice are you giving to investors, and the C-Suite executives that you're speaking to, to assess this more volatile geopolitical environment where it's so potentially unpredictable?

Tina Fordham: The short answer is revisiting your key assumptions about the way the world works, and a big case in point is what we were all taught in Economics 101, which is that people behave in their rational economic self-interest. Time and again, this has profound impact on the conduct of world affairs.

Peter Antoszyk: Can, can you give me an example, can you give me an example of that?

Tina Fordham: People not acting in their rational economic self-interest? Sure. We've just had the very sad and shocking news, frankly, that Russian dissident Alexei Navalny died. The FSB, the Federal Security Services, poisoned him in 2020. He was given a chance to live in exile. He chose to come back to live in Russia, was immediately imprisoned and now has seemingly ended up dead. That is a very stark example of somebody not acting in their rational economic self-interest, but people do things for the sake of dignity, for the sake of family, for the sake of legacy. It just doesn't compute if we're used to scoring everything as a zero or a one. We don't have a way to account for that, and yet, it's profoundly motivating throughout human history.

Peter Antoszyk: You started to list some of the advice that you give investors elevating their PQ, recognizing that individuals and leaders — and nation states, by extension — don't always act in their own self-economic interests. What other things would you point out?

Tina Fordham: I've talked a lot about what I call "plausible hypotheticals." This is my counterpoint to binary outcomes: again, that zero and one idea. Is it Biden or Trump, you know Is it war or peace? Most of the time the world does not end up in binary outcomes. There are all kinds of below threshold and interim kinds of scenarios. That's frustrating for investors. We don't like it. We like clarity, but that's not the way things are headed.

So, stress testing plausible hypotheticals means, what happens if on November 6th we don't have an answer? We have six states already that have said that they're going to demand a recount, and then two months later, it goes to the Supreme Court. How does that affect your portfolio? How does that impact your plans for expansion, your deal flow, other things? I can see, just in the simplest sense, lots of events that would normally take place in the second half of the year are getting moved to spring of 2025, because nobody wants to be caught up in what is expected to be a lot of confusion in the autumn.

Peter Antoszyk: Are there other skills, tips, advice that you give for investors to assess geopolitical risks or models that they should be utilizing?

Tina Fordham: A lot of it has to do with assessing assumptions. I've been in the room with corporates and witnessed how, if the chief executive likes country X, then nobody else asks any more questions about country X. I saw this most acutely around 2016 with Brexit and Trump. Two binary outcomes at that time were very difficult for people to discuss, and the plausible hypotheticals were that developments that have a 15 or 20 percent probability have a material probability of happening. I mean, this is something that baffles me about people who work with highly complex quantitative models, yet can still dismiss something if it has a 10 percent probability. 10, 15 percent probability events happen in real life all the time. Why wouldn't you take that seriously? And I think the answer there has a lot to do with our personal experience of risk and even non-linearity, things that don't go according to plan.

Peter Antoszyk: I'd like to shift now to go through a series of questions with you and just get your reaction, which touches upon a number of the topics that we've spoken about in somewhat of a more specific way. The first one gets to stress testing plausible hypotheticals. How do you think about Black Swan predictions, and what do you see out there as a potential Black Swan event that investors are not thinking about?

Tina Fordham: Well, my answer to that comes from having been involved in, you know, dozens of these kinds of exercises with the World Economic Forum — with insurance companies, with the highly complex scenario planning events when you get 30 or 40 brainy people around a table — kind of, you know, drawing these very complex decision trees and things. None of them ever produced scenarios that materialized. Of course, that's not the only reason for doing them. It's also a good thought exercise. But I'm not convinced of scenario planning so much as looking at these two, three, four maybe, plausible scenarios in more detail, because if they have a, a material probability, that means that they're worthy of consideration. And I said that with Trump and Obama, the last time with Brexit, and everything else, and you know, people want to be told. You're not going to get from pollsters, for example, a clear lead. I mean in the U.S., polling is the most advanced of any country in the world. We are the most heavily polled people on the planet. And yet, the margin of error is three to five points, because we're talking about mapping human behavior, and so anything that you might be doing as a business that involves human behavior is subject to wide variability.

Peter Antosyzk: If there is only a binary outcome in the U.S. Election, which is Trump or Biden, Who do you think will win?

Tina Fordham: So, I'm advising to prepare for Trump, but consider multiple sources of delay and challenges. You know, again, that lack of a clear answer.

Peter Antosyzk: You mentioned earlier in our conversation the decline in population; people less interested in having children. This has been a particularly key problem in China, and I'm curious from your perspective, do you view China as on the rise? Or, as some have mentioned, that it's on an inevitable path to steady decline due to its rapidly aging population?

Tina Fordham: Well, isn't that an interesting question, because only a couple of years ago, China was the inevitable superpower. China was going to eclipse the United States, but nothing is inevitable. I'm always cautious about these overarching narratives that market participants fall in love with, and there also isn't a single source for why China's rise is being challenged.

But it certainly does look like China will grow old before it grows rich, which is really the biggest problem for Xi Jinping and for the Politburo. I mean, it is still growing at a healthy clip, although we can really never know, because the data are not transparent. And I think that there is a competence issue going on with the current leadership as well. And I say this, again, as a political scientist, having looked closely at revolutions and changes in government, and done a lot of work on the Arab Spring and my Vox Populi risk thesis. When you have one face, to make a long story short, one individual who is linked with the success or failure of the regime, it is risky. You are, "you broke it, you bought it," as the old saying goes.

And with that in mind, I think Xi Jinping seems less concerned than his predecessors about maintaining that kind of magical six, seven percent GDP growth that we're all trained to watch. And then if I kind of add to that what I hear from business leaders — so much discussion about a "China plus" strategy and a kind of a rediscovery of Japan, lot more interest again in huge markets and not just India, but Indonesia and elsewhere — so, this kind of sense that China is not the only game in town when it comes to large markets with expansion. And then there is that downside of autocratic control. It was very fashionable to say for a long time in market circles that we shouldn't project our values. And, I think the tune did change when people started getting arrested, and the last time I was in Hong Kong, I was having conversations with people that they would end with, "Which passport should I get?"

Peter Antosyzk: Regardless of its economic trajectory, certainly its military trajectory is on the rise. It is expanding aggressively the sophistication of its forces, as well as projecting its power in the South Seas China as a perfect example of that. How do you handicap a direct conflict between the U.S. and China in the next five, 10 years, given that trend?

Tina Fordham: Neither China nor the U.S. want to be in a direct conflict, and we've heard the precise same language used more recently between the U.S. and Iran where tensions are at the highest point for at least 10 years. So, if we use the Iran example as a corollary, what do we see? We see the United States trying to undermine so-called "Iran backed militias" in Iraq and in Syria. The Biden response against the attack on U.S. soldiers, the first soldiers killed in the Middle East in a very long time, was not in Iran proper but assets around Iran. Those are the kinds of below threshold responses that can transpire. I think that if we were to see something similar between China and the U.S., or so-called proxies, it would trigger more alarm than we've seen so far in the Middle East.

Frankly, I think market participants are too complacent. That has to do, I think with two points, the U.S. energy independence, point one, and point two, the sense that commodities traders have that the U.S. wouldn't go to war in the Middle East before an election. The U.S.-China conflict is the big one. What to track will be military exercises, military deployments and the fact that, of course, China's neighbors are deeply mistrustful of Beijing. And they all want U.S. protection. And that's where the question about what happens in U.S. elections and the U.S. security umbrella matters not only for Europe, which is increasing its defense spending and NATO member states along with it even before Trump's most recent remarks to that effect. Defense companies are the big winner from the period that we're entering, which will be much more spending on defense. And along with that, I think more potential for hostilities if we don't return to the "rules-based system," as we used to call it.

Peter Antosyzk: We are certainly hearing more rhetoric, particularly out of the leaders in the EU, about having a preparedness for war, and that leads me to my next question, which is, how do you handicap an attack by Russia on a NATO country in the next five years?

Tina Fordham: You know, again, that's the big one, because in the next five years, I mean, Putin is getting on. He is really mortal. Will Putin be around in five years? It's a big question. But Putin would love to expose NATO as being a paper tiger. Why? Because in his mind, that would mean that all of the former satellite states and former Iron Curtain states are now flapping in the wind, exposed. And so, I don't know that Putin needs to launch a full scale take over, say, in Estonia as he did in Ukraine, which is not a NATO member state, obviously, and not a beneficiary of Article 5 protection. But, what is imaginable, and this is what I mean by plausible hypotheticals — maybe imaginable is a better way of describing it — is an incident where the rights of Russian speakers in Latvia, which has a large Russian population, or in western Estonia, Narva, are violated because the Duma passed a law a long time ago saying that Russia maintains the right to intervene on behalf of Russian speakers and Russian passport holders. And of course, it has sprinkled around Russian passports everywhere from South Ossetia to all these places. So, the seeds are sown for intervention. And keep an eye on Moldova. But all of this is kind of salami tactics, right? Putin can ask himself, "Are the parents of American young people going to send them to potentially fight and die in places like Narva, etc.?" And he thinks the answer is no.

Peter Antosyzk: So, one of the things that has been on the agenda of Russia and China has been to move away from the dollar as the basis of currency. Do you think that de-dollarization will become inevitable over the next 30 years?

Tina Fordham: Well, I have to be a little bit careful because I'm not an economist, and even though I no longer work for a financial institution where my colleagues who were economists would have me run out of town on a rail for answering that question, it is more political than it used to be. I think we see more diversification in the currency basket, but there is really no challenger to U.S. dollar primacy. So, more trades denominated in other currencies, but are we really going to move to the ruble? And the other related point to this is the BRICs and other kind of constructs. I see big limitations to how powerful and influential these groupings can become. At the same time, we need to look at some of the more influential middle powers, and I would put Saudi Arabia and India, particularly, in this bucket. But if we look at the BRICs, the IC in BRICs, India and China, do not get on, and in fact are beyond frenemies to hostile competitors. There may be limits to how much competitive advantage they're going to be willing to pool even if both would love to see U.S. hegemony take a hit.

Peter Antosyzk: AI. It is all over the papers. It seems to be the hydra that's going to take over everything. I guess the question for you is, how do you see AI impacting geopolitical considerations?

Tina Fordham: What I don't like about the discussions about AI is, how much they descended into polemic: "It's going to save us all," or "It's going to destroy us all." We know that the truth will be somewhere in between. I worry about the potential for governments to regulate AI well.

But I have a really philosophical question about AI. We know that 2024 will be the first election cycle, where more than half of the world's population is eligible to vote, where AI deep fakes, so-called hallucinations and other things, will be a factor. I said that pollsters in the best of times are dealing with the three to five percent margin point of error. No one knows what the impact will be of a TikTok deep fake the day before an election. You can't test for that, and so it's not very satisfying, but all historical data is based on stuff that happened in the past, and my philosophical question is this: what do people do if we're not sure what's real?

I read *Bless*. It's a great book by an author called, I think Rolf Dobelli, about stop reading the news. It always seems counterintuitive that I recommend this, but news will not help you.

Peter Antosyzk: You've blown my mind with the question and the answer. This has been a great conversation. I just have two, two final questions for you, Tina. First of all, Taylor Swift and Beyoncé?

Tina Fordham: Don't even come to me with this false dichotomy. It's both. You know, they both have columnists assigned to them, because each of these great American singers is responsible for commercial output that is the size of a small to medium sized country. So both. Now Beyoncé is singing country, and Taylor Swift apparently, according to 18 percent of Americans on the Last Monmouth University survey, is involved in the conspiracy theory to throw U.S. elections. But they're both great singers. I have teenagers. So, you know, this is part of my reality.

Peter Antosyzk: Last time we spoke, you gave a fantastic book recommendation, which I thoroughly enjoyed, *East West Street*, and I highly recommend it to our listeners. Can you give us another one?

Tina Fordham: I'm going to give you two, although *East West Street* really stands out to me as a masterpiece of research, thinking, history and hope.

I'm going to be a little bit more focused today, because an NYU professor that I know called Allison Taylor has written a business book, and I don't read very many business books, as you know, because I think they have two or three good ideas and then, we know what they say. But she's written a book called *Higher Ground* about business ethics for the 21st century, and I think this is really helpful because a lot of what we are thinking about today in companies is ethics. It used to be focus on the bottom line, and the rest will take care of itself, and companies don't get involved in politics.

And Allison is very practical. She doesn't think companies should get involved in everything. But she does believe in ethics and integrity, which is different from taking a position on every issue that comes up. When I mentioned I talked to some CEOs that were in tears, part of that was because they felt forced to take positions on issues in a way that was personally painful, compromising, etc. So, *Higher Ground* by Allison Taylor.

Peter Antosyzk: Well, with that, I will leave it there. I really enjoyed this conversation and appreciate you taking the time to speak with us. It's a volatile time. I think these are difficult and serious issues for investors to grapple with, and I think your views help provide a little bit of a framework to how you might think about these things. So, thank you.

Tina Fordham: It was my pleasure.

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